

PHYSICAL THERAPY BOARD OF CALIFORNIA

INITIAL STATEMENT OF REASONS

Hearing Date: May 11, 2004

Subject Matter of Proposed Regulations: Application, Examination, and Licensing Fee Changes

(1) Section(s) Affected: 1399.50, 1399.52

PROBLEM ADDRESSED:

Existing regulations must be amended to reflect consistency with current procedures and workload associated with application review and examination processes under the jurisdiction of the Physical Therapy Board of California (PTBC). Application and licensing fees are being adjusted to maintain a balance between proposed increases in application and license renewal revenue and the proposed decreases in initial license fees and examination fee revenues.

There are currently two processes to access the required examinations. The Federation of State Boards of Physical Therapy (FSBPT), owner of the National Physical Therapy Examinations (NPTE), offers online registration for the NPTE through their website. This process became available a few years ago for California applicants. Previously, only the manual registration process was available. With the availability of online registration, the frequency of use of the manual registration process has dropped significantly. Completely phasing out the manual registration process through the PTBC will streamline the exam process by providing applicants with quicker access to required examinations and examination results and reducing their examination costs. All NPTE examination fees would be paid directly to the Federation of State Boards of Physical Therapy (FSBPT), at the level established by the Federation of State Boards of Physical Therapy for all candidates from all States. The CLE exam shall be set at a fee of \$60.00 for all candidates and shall be paid directly to the FSBPT. However, the PTBC is still required to process applicants for eligibility to the NPTE and the California Law Examination (CLE) and currently receives a portion of the examination fee for this service. Therefore, the proposed application and licensing fee revenues would be increased to offset the loss of revenue from the examination fees.

The fee proposal changes more clearly reflect the actual costs for applicants to directly register online with the required NPTE and CLE examinations and address administrative costs currently absorbed by the PTBC based on workload associated with the processing of applications, examination eligibility determinations, and score results. As previously stated, all examination fees processed manually through the PTBC have included an administrative fee for PTBC workload associated with the overall manual process. The number of applicants utilizing manual exam registration is

steadily decreasing. Approximately 5% or less of all exam registrations currently utilize this process.

Application fee maximums are currently established in Section 2688 at \$75 for PT and PTA applications and \$125.00 for applicants applying under Section 2653. Current application rates are \$50.00 for PT and PTA applications and \$100.00 for Foreign Graduate (Section 2653) applications.

The proposed fees are \$75 for all PTA candidates, \$75.00 for PT applicants who have graduated from approved PT programs, and \$125.00 for Foreign Graduates applying under Section 2653 of the Business and Professions Code.

Section 2688 of the Business and Professions Code establishes a maximum of \$150.00 for the PT initial license fees and \$150.00 for all biennial renewal fees. Section 1399.52 of the California Code of Regulations sets the maximum of \$150.00 for the PTA initial license fee. Current rates are \$120.00 for all initial license and biennial renewal fees. The proposed rates are \$75.00 for all initial licensee fees, and \$150.00 for all biennial renewal fees. The reduced initial license fee will assist new licensees, many of whom will be seeking gainful employment while also absorbing substantial educational costs. Increased revenue from application and license renewal revenue will be offset by a substantial reduction in examination revenue.

SPECIFIC PURPOSE: 1) To phase out manual examination registration through the PTBC to reduce costs and streamline the application process, and 2) to amend application, examination, and licensing fees associated with sections 1399.50 and 1399.52 to offset the loss of examination revenue and expended revenue associated with staff workload during the online examination registration process.

FACTUAL BASIS: These sections define the requirements for application, examination and licensing fees for all physical therapist and physical therapist assistant applicants applying for licensure with the PTBC.

UNDERLYING DATA: It is well established the online process has been a desirable and favorable process to applicants. A comparison of examination receipts from FY 2001-2002 and FY 2002-2003, verifies receipts of \$573,760 for FY 2001-2002 and \$124,861 for FY 2002-2003. From July 1, 2003 through January 31, 2004, total receipts of \$9,975.00 have been received. From the above numbers and trend, it can be concluded that over 95% of all applicants are utilizing the online registration process.

SMALL BUSINESS IMPACT: These regulations will not have a significant adverse economic impact on businesses.

SPECIFIC
TECHNOLOGIES

OR EQUIPMENT: This regulation does not mandate the use of specific technologies or equipment.

CONSIDERATION

OF ALTERNATIVES: The alternative regarding examinations is to allow both processes to continue. This will cause additional and unnecessary workload for staff and the FSBPT. When problems arise on NPTE applications, dialogue is required between the PTBC staff and FSBPT staff for resolution. It can take several days at times to resolve a particular situation. More important, the manual process forces applicants to pay more costs associated with the required examinations and face additional and unnecessary processing time to gain access to the examinations. Eliminating the manual process allows the applicant to deal directly with the FSBPT regarding any examination registration issues and also results in a reduced cost to each applicant for the NPTE and CLE.

Without adjustment to application, examination and licensing fees, the condition of the PTBC fund may eventually be compromised by loss of revenue in the examination area of its program. This could subsequently compromise the PTBC 's ability to carry out its mission and its pursuit of additional services and improvements for consumers as identified and directed in the Strategic Plan.